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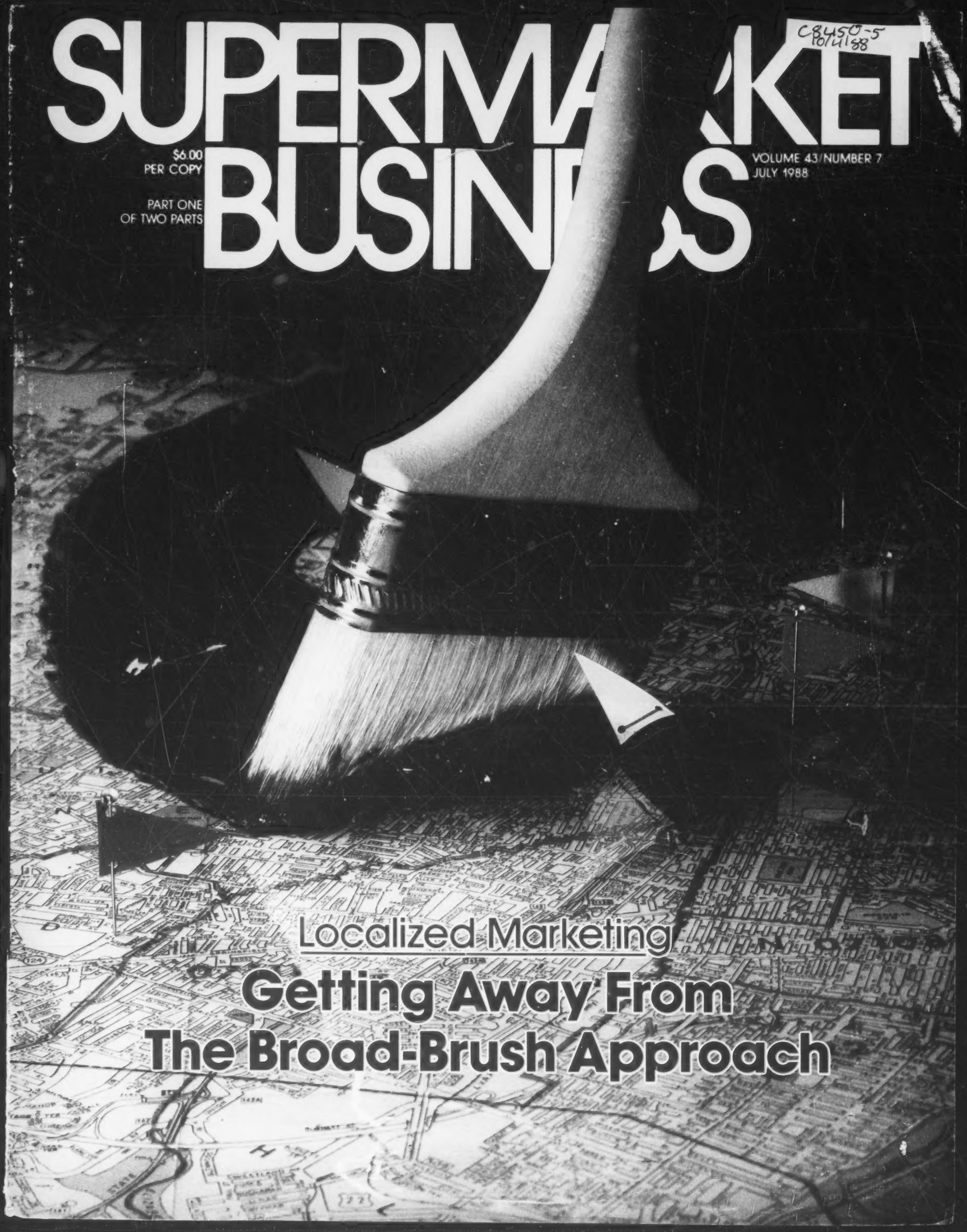

Localized Marketing

Getting Away From The Broad-Brush Approach

SUPERMARKET BUSINESS

JULY 1988 VOLUME 43/NUMBER 7

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COVER STORY: LOCALIZED MARKETING: GETTING AWAY FROM THE BROAD-BRUSH APPROACH/CAROL FENSHOLT **19**

A look at how successful retailers are building or strengthening their success by diversifying their store formats ... much as many of today's successful suppliers are doing by diversifying their product lines.

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STRAWBERRY HILLS—NOT JUST ANOTHER FRUIT STAND **29**

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Personalized service and hands-on management help set this Michigan produce store apart from the local competition. So does the decor, but equipment suppliers be warned: this is your worst nightmare.

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Like the window dressers at Saks Fifth Avenue, produce merchandisers with a flair for fashion are treating their products to some stylish displays.

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THE GROWING CACHET IN CATERING/BOB HUGHES **3A**

As delis become more sophisticated, and offer greater variety, deli operators are moving into more elaborate catering services. Shoppers today have more choices than just a simple cold-cut tray or a platter of cheese and crackers.

TIANGUIS SERVES ITS FAST-FOOD CROWDS 'COMIDA RAPIDA' **11A**

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VBPA ABP

EDITOR'S VIEW

By Ken Partch, Editor-in-Chief

Birth of the Beer/Grain Exchange—and P-O-P Promotion

It is a safe bet that on the day after an enterprising cave man set up the first beer and grain exchange that another cave man tried to figure out how he could influence the sale of beer at the point of purchase for the consideration of a small commission of any increased sales.

I have no idea how it might have been done, but I'll bet again that it was something like banging on a pelt-covered hollow log and shouting, "Get your cold (or warm) beer!" And thus it was that point-of-purchase (P-O-P) advertising and promotion was born.

Things progressed slowly from that great burst of advertising creative energy, we assume, since there is no mention of these activities in ancient Greek and Roman societies by the historians Herodotus, Thucydides or Livy. And it wasn't until the first towns were established, and traveling minstrels and entertainers of the Middle Ages came into being, that anything like modern-day P-O-P advertising and sales promotion really made any mark. And these early "advance" men were usually just selling tickets to the coming show. I don't recall mention of any merchandising tie-ins, such as banners, balloons, whistles or bells, except for the things that warded off evil spirits, disease and other unpleasantries.

Even trading to the Indians and other aborigines, so far as is known, included no premiums, coupons or bonus "free" ounces or beads. No, it wasn't until the patent medicine and elixir men of the Old West that real hucksterism and sales boosting got started. Even Adam Smith makes no mention of how to boost sales performance in the face of adversity and really tough buying/selling days.

True enough, the sales promoter and the "con" man are well known in literature, as witnessed in "The Lightning Rod Man," by Herman Melville, for example. In this story, the lightning rod peddler turns up in the midst of violent thunder and lightning storms, full of questionable expertise on the behavior of lightning, selling fear as much as anything, and knowing full well that people are unlikely to buy at any other time.

Indeed the nineteenth and early twentieth centuries are the period of true inspiration and development of P-O-P hype. The growth of the "carney" and the circus (as we know it) provided an early, if somewhat cynical, guideline as to why people buy. It was P.T. Barnum, in those immortal words, who described the conditions, psychographics, reach and frequency for influencing potential consumers at the point of purchase. It is so much a part of the language of sales promotion that it needs no repetition here.

Enter the mass media

But all of this was merely developmental to the true era of P-O-P exploitation to the fullest—the age of the mass media. It was mass media— newspapers, magazines, and radio, above all, radio—that made it truly possible to gain repeat sales through coupons and premiums, and beginning at the earliest stages of consumer life.

Who would be the last kid on his block to have the Little Orphan Annie Ovaltine mug, or the Buck Rogers signet ring, or the Tom Mix Straight-Shooters six-gun? And what could compare to the ingenious developer of the repeat sale, the bubble gum and Topps baseball card series. It was the birth of the "Box-Top Age!" Alas, we shall probably never see the like again.

But burgeoning technology could not be kept incubating forever. In the age of the supermarket, with unlimited store traffic and unlimited product tie-in opportunity, it would seem that such an over-abundance of point of-purchase performance actually produced a dearth of really creative P-O-P sales promotion.

It was as if the distance between the product and the consumer in the '30s and '40s sparked the creative talent that sent consumers running down to the drug store—right then. While the obvious abundance and availability of product at the supermarket made it possible to delay the purchase to another time—a terrible and disheartening situation.

P-O-P sales promotion and advertising people pondered and sweated over this predicament. Oh yes, the checkout racks offered some hope for some items, but it was still a long reach from the point of truth, and the point of no return to the grocery shelves. But that did not mean that there was no effort being made. The problem usually turned on either the technological problems or the legal hangups.

Lightning strikes

Remember chain lightning? Quite different from Melville's story. I'm glad I was born too late to know [illegible]uly exciting days of [illegible]upermarket and its spe[illegible]mpact on marketing, [illegible]promotion, advertising, *et al*, I will explain.

Some sales promotion genius, whose identity went unrecorded, agonizing over the opportunity of influencing sales at the supermarket shelf, with reinforcement from outside media, came up with the idea and presented it to the Grand Union Co. of New Jersey. It was as natural to anyone who has ever had the slightest association with media, advertising or sales as breathing. It was so enticing as to be obsessive. But finding a means of execution, to this day, continues to be as elusive as the Holy Grail itself—almost.

But chain lightning, as it was called, offered an opportunity for the lucky advertiser of brand name products to gain exclusive promotion and instore display, as well as reinforcement in the supermarket chain's own advertising (such as on billboards). The perfect solution to P-O-P

Continued on next page

SAMI UPDATE

HEALTH & BEAUTY AIDS: SAMI FOUR-WEEK FOOD STORE UNIT TRENDS VS. YEAR AGO

PRODUCT GROUP AND CATEGORY	% CHANGE VS. YEAR AGO 4 WEEKS ENDING 2/26/88	4 WEEKS ENDING 3/25/88	4 WEEKS ENDING 4/22/88
Baby Powders	− 7.8	−10.1	− 4.1
Baby Oils, Creams & Lotions	+ 7.9	+ 8.1	+12.7
Infant Clothes	−17.3	−18.7	−17.8
Nursing Supplies	+ 1.3	+ 2.2	+ 4.1
Sprays	− 7.2	+ 2.2	− 6.0
Roll-Ons	+ 4.3	+ 4.0	+ 4.2
Stick Deodorants & Pads	+ 7.6	+ 8.3	+ 5.0
Creams	−10.2	− 8.5	− 7.0
Deodorants & Talcum Powders	+49.8	+13.4	+28.2
Feminine Hygiene Deodorants	+44.3	+22.8	+44.0
Foot Deodorants & Athlete's Foot Remedies	+ 7.4	+ 8.4	+24.6
Feminine Douches	+15.8	+11.0	+10.6
Antiseptics	+ 0.7	+12.5	+ 9.3
First Aid Products	+ 2.9	− 1.9	+ 2.4
Shampoos	0.0	− 6.4	+ 1.5
Hair Sprays	+17.3	+11.6	+18.4
Hair Conditioning Rinses	+ 3.7	+ 1.9	+11.2
Hair Setting Needs	+ 9.4	+ 2.3	+ 7.8
Home Permanent Kits	−12.9	−12.8	−16.5
Hair Coloring	+ 7.2	− 1.1	+ 3.9
Hair Dressing Needs	− 4.4	− 7.3	− 9.9
Toothpastes & Powders	+ 2.5	− 1.9	+ 3.1
Mouthwashes	−10.6	−12.9	+ 8.3
Breath Fresheners	− 6.3	− 7.4	− 6.3
Denture Cleaners	− 3.6	+ 0.6	− 2.0
Denture Adhesives	+ 0.5	+ 3.1	+ 4.8
Toothbrushes	+ 4.1	+ 6.4	+ 0.8
Dental Aids	+ 3.1	+12.9	+ 6.8
Antacids	+ 5.6	+ 1.7	+ 5.8
Internal Analgesics	+12.4	+ 8.1	+ 7.2
External Analgesics	− 4.7	+ 3.3	+ 8.8
Cold Remedies	+13.8	+ 3.4	+ 6.4
Nasal Sprays—Drops—Inhalers	− 1.5	− 5.7	− 5.4
Chest Rubs	+ 9.7	− 2.7	− 3.5
Cough Remedies	+ 4.4	+ 1.8	− 2.0
Laxatives	+12.8	+ 7.9	+12.8
Sleeping Aids	+15.5	+14.3	+ 5.7
Tranquilizers	− 7.2	+ 6.5	+ 3.3
Synthetic Vitamins	+ 7.0	− + 9.4	+11.8
Eye Care Products	+15.1	+12.4	+16.4
Appetite Suppressants	+26.4	+12.8	+28.6
Shaving Creams	+ 1.9	+ 1.8	− 0.5
Pre-Shave Lotions	+ 0.5	− 1.8	+ 2.4
After-Shave Lotions	+ 3.9	− 0.7	+ 0.1
Razor Blades	− 2.9	− 4.4	+ 4.0
Razors & Blades	− 1.7	− 4.0	+ 2.3
Hand & Body Creams & Lotions	+ 5.5	+ 4.0	+ 3.2
Facial Preparations	+ 4.1	+10.2	+ 9.9
Lip Care Products	+ 9.4	− 1.6	+15.1
Suntan Lotions & Oils	−28.2	+22.7	+12.0
Cosmetic & Medicated Skin Aids	+ 3.4	+ 4.7	+ 7.2

April Was a Banner Month for HBA Sales In Food Stores

Gain in unit movement for HBA tops all SAMI product categories.

BY ALAN B. MILLER, JR.

During the four weeks ending April 22, 1988, sales of health and beauty aids (HBA) regained the pace it had prior to March. Unit volume rose 5.4 percent and dollars pushed forward 9.5 percent compared to the same period a year ago. The HBA tonnage gain rate was far higher than the growth in other product departments. By way of comparison, the category dry grocery: food advanced only 0.7 percent in pounds and refrigerated product sales were only 0.4 percent ahead of the 1987 pace. Frozen foods lost half a percent in pound measurement. Unit volume of dry grocery: nonfoods items showed an increase of 2.7 percent, or just half the gain rate enjoyed by the HBA products.

The strong performance of health and beauty aids in food stores was not matched in these same categories in drug stores, where four-week unit sales actually fell 0.2 percent, although dollars were 9.2 percent ahead.

All eight of the HBA product groups tracked by SAMI enjoyed four-week unit-volume gains versus the same period one year ago. The gains ranged from a high of 8.2 percent for skin care aids to a low of 2.5 percent for shaving needs. On a product category basis, the gains outpaced the losses by a wide margin, 40 to 12. In four categories, the gain rate exceeded 20 percent: feminine hygiene deodorants (up 44.0 percent), appetite suppressants (up 28.6 percent), deodorant and talcum powders (up 28.2 percent) and foot deodorant and athlete's foot remedies (up 24.6 percent). The highest HBA category loss rate was the 16.5 percent negative trend among home permanent kits.

In the baby needs product group, there were two categories with higher volume and two with lower volume, but the gains were in the two higher-volume categories of baby oils, creams and lotions and nursing supplies, whereas the losses were found among baby powders and infant clothes.

Six out of eight deodorant categories moved upward. In addition to the three previously mentioned, there was a gain of 10.6 percent for feminine douches/washes and smaller increases for stick deodorants and pads (up 5.0 percent) and roll-on deodorants (up 4.2 percent). The two categories exhibiting continuing weakness were sprays and creams, which have lost volume to sticks and roll-ons.

In the first aid product group, antiseptics (up 9.3 percent) are moving ahead more powerfully than first aid products (up 2.4 percent).

In addition to the loss for home permanent kits, there was weakness among hair dressing needs. Each of the other categories of hair care needs demonstrated a stronger four-week trend than was seen on a 12-week basis. Shampoo volume went from a 6.4 percent loss in the March period to a 1.5 percent gain in April. The 18.4 percent gain for hair sprays is even stronger than the 11.6 percent increase in the preceding period or the 15.7 percent performance over a 12-week span.

Spritzes shine

Hair conditioning rinse volume was ahead 11.2 percent as compared with a gain of just 1.9 percent in the prior period. The 7.8 percent improvement for hair setting needs was triggered by the performance of items other than styling mousse products, specifically, gels and spritzes. Hair coloring products moved from a March loss of 1.1 percent to a gain of 3.9 percent in April. The four-week growth rate for the entire hair care needs product group was 6.8 percent as compared with 3.9 percent for the 12 weeks, or a loss of 0.1 percent in the March period.

Continued on next page

SAMI UPDATE

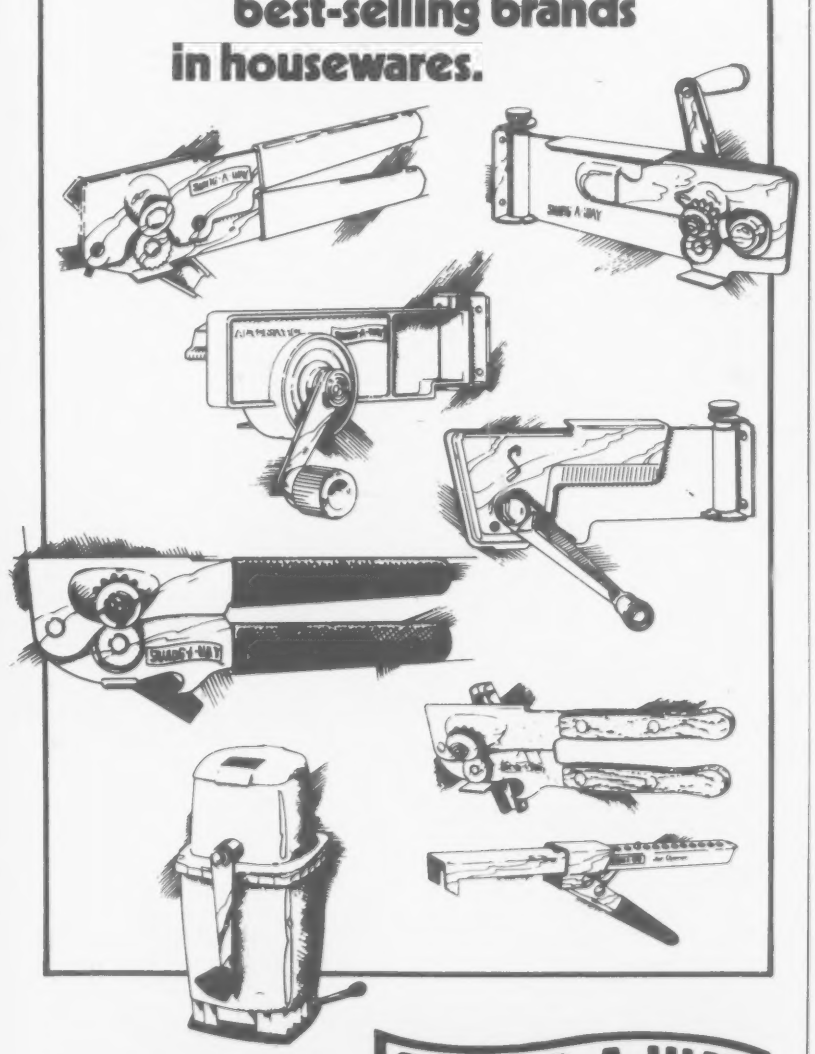
Continued from page 53

There were two categories with volume losses in the oral hygiene group: breath fresheners (down 6.3 percent) and denture cleaners (down 2.0 percent). Mouthwash volume (up 8.3 percent) picked up after a poor showing in March. Also going from minus to plus was the toothpaste and powder category, where a 3.1 percent gain in April was registered. Rounding out the oral hygiene category gainers were dental aids (up 6.8 percent), denture adhesives (up 4.8 percent) and toothbrushes (up 0.8 percent).

Among the 14 product categories of proprietary remedies on the SAMI roster, only three were on the losing side, and the only high-volume category with a minus was cough remedies, down 2.0 percent after a gain of about the same proportion in the March period. Chest rubs fell 3.5 percent and nasal sprays-drops-inhalers were down 5.4 percent. Of the cough/cold categories only cold remedies was in the black (up 6.4 percent) signifying a more healthy bunch of consumers in April.

There were four proprietary remedies categories with double-digit rates of gain in addition to appetite suppressants: eye care products (up 16.4 percent), laxatives and stool softeners (up 12.8 percent), and natural vitamins, minerals, supplements (up 11.8 percent). The April trend for antacids (up 5.8 percent) was an improvement over the 1.7 percent increase in March, whereas the April gain for internal analgesics (up 7.2 percent) was slightly below the 8.1 percent gain in March. The April trend for sleeping aids (up 5.7 percent) was also below the 14.3 percent increase in March. ■

One of the best-known, best-selling brands in housewares.



go with the leader. SWING·A·WAY

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NEW PRODUCTS

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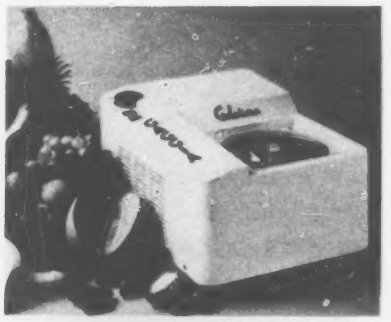

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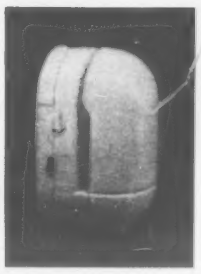

1. **Scentsational:** Rival's new elecfric, mini Potpourri Crock has an ample 12-ounce capacity to provide a long-lasting aroma. *Rival Manufacturing Company, 36th and Bennington, Kansas City, Mo. 64129.*

2. **Gelatiera in your kitchen:** Gaggia introduces the Gaggia Gelatiera, a gourmet ice cream maker for the home. *Richter Bros. Inc., 400 Commerce Boulevard, Carlstadt, N.J. 07032.*

3. **Perfect application:** Maybelline Cream On Eye Shadow resists creasing, fading and flaking. *Maybelline Products, 3030 Jackson Avenue, Memphis, Tenn. 38151.*

4. **Spritz yourself:** Sea Mist Skin and Hair Re-Hydrantante is an all-purpose spritzer used to replenish moisture and instantly revitalize skin and hair. *Freeman Cosmetic Corporation, 7060 Hollywood Blvd., Ste. 202, Hollywood, Calif. 90078.*

5. **High and dry:** A new disposable bib from Playtex has a crumb-catcher to protect baby and floor from spills and a moisture-proof backing to keep baby clean and dry. *Playtex, Inc., 700 Fairfield Avenue, P.O. Box 10064, Stamford, Conn. 06904.*

6. **Let's party!:** Wilton introduces Alf, a new aluminum baking pan with the Alpher's shape baked right in and a reusable plastic face piece. *Wilton Enterprises, Inc., 2240 West 75 Street, Woodbridge, Ill. 60517.*

7. **Nap time has been cancelled:** Allerest now comes in a new, non-sedating formula that doesn't cause drowsiness. *Pharmacraft Division, Pennwalt Corporation, P.O. Box 1212, Rochester, N.Y. 14603.*

8. **Lighting the way:** Snapit's new Sonar Lite is designed with an adjustable sound-sensitive control that automatically turns on the light when a sound occurs. *Cable Electric Products, Inc., P.O. Box 6767, Providence, R.I. 02940.*